

COMMITTEE OF THE WHOLE (WORKING SESSION) APRIL 25, 2006

**REVIEW OF SECTION 40 PLANNING ACT
CASH-IN-LIEU OF PARKING – KLEINBURG**

Recommendation

The Commissioner of Planning recommends THAT:

- 1) The necessary By-laws be prepared to implement cash-in-lieu of parking based on the findings contained within this report.
- 2) A Reserve Fund entitled "Cash-in-lieu of On-Site Parking – Kleinburg Reserve Fund" be approved and that an associated by-law be prepared.

Economic Impact

While there are two options for the implementation of cash-in-lieu of parking (collect funds first then build or build first then collect funds), the recommended option of collecting funds then providing parking spaces once sufficient monies have been collected would be revenue neutral to the City.

Purpose

To provide background information, comments and recommendations with respect to the utilization of the powers enabled by Section 40 of the Planning Act for cash-in-lieu of parking within Kleinburg.

Background - Analysis and Options

Background

At the meeting of the Committee of the Whole, held November 8, 2004 the following request was made:

"Whereas a parking issue exists in Kleinburg, due to the development occurring which further reduces green space, trees and other vegetation on properties by covering with hard surfaces such as asphalt;

And whereas more appropriate parking opportunities may be identified by the City;

Therefore, that staff provide a report and recommendations for a payment in-lieu of off-street parking policy, and that staff consider this when reviewing Kleinburg development applications, as they relate to parking reductions."

Legislative Authority

Planning Act

Section 40 of the Planning Act enables the City to enter into an agreement with a property owner to exempt the property owner from providing or maintaining on site parking spaces. This agreement permits the City to assess and collect cash-in-lieu of parking and place the funds received into a reserve fund established under Section 417 of the Municipal Act. The agreement must contain a provision for the collection of the payment and provide an explanation of how the payment was determined.

From discussions with various municipalities it appears that the most common method of implementing cash-in-lieu of parking is through inclusion of a specific policy permitting the collection of cash-in-lieu of parking in the Official Plan and an implementing By-law enacted pursuant to Section 417 of the Municipal Act. The implementing By-law typically defines the area to which the By-law applies and defines the fees associated with submitting an application and establishes the fund into which monies collected are to be deposited into.

OPA No. 601 - Kleinburg-Nashville Community Plan

Various Sections of OPA No. 601 establish and describe the desire of the City to protect and enhance the landscape of Kleinburg. The impact that parking lots have on the landscape is specifically mentioned and potential solutions are presented. These solutions include the establishment of a municipal parking lot, locating parking areas to the side and rear of buildings subject to the preservation of significant trees, the utilization of fences, and the provision of suitable landscaping and other architectural features to screen parking and preserve the existing landscape. The Poulos and Chung Limited (2003) "Kleinburg parking Summary" and the Kleinburg-Nashville Heritage Conservation District Study and Plan prepared by Phillip H. Carter Architect and Planner indicate there is no need to create additional parking in the Kleinburg Core Area for existing uses.

OPA No. 633 (Proposed) – Kleinburg Core Area Review

Should Council decide to implement cash-in-lieu of parking, an amendment to OPA No. 601 to specifically permit the use of Section 40 of the Planning Act will be required. During the preparation of OPA No. 633 - Kleinburg Core Area Policy Review, wording was included to empower the use of Section 40 in the proposed amendment.

- "5) Pursuant to the provisions of the Planning Act and the Municipal Act the City may establish a parking levy for the purpose of providing and maintaining off-site parking.
 - a) Monies raised through cash-in-lieu shall be placed in a special reserve fund, separate from general revenues, dedicated to managing existing public parking resources and/or establishing new parking facilities.
 - b) In determining the actual cost of providing a parking space, and the appropriate fee to be charged for each space levied, the City may create a formula that considers the cost of land, the cost of construction of a space and associated accesses, the cost of landscaping, cost of maintenance and the use of a multiplier for different types of development.
 - c) In order to promote the adaptive reuse (conversion) of existing heritage homes within the Mainstreet Commercial designation the use of a multiplier to reduce the cost to a land owner may be considered."

Zoning By-law 1-88

The parking requirements are established and presented in Section 3.8 of the Zoning By-law. It is recognized that due to the nature of the existing built environment and the desire to retain and enhance this environment that the provision of the required parking on site is not always feasible or possible. A combination of the use of variances and the use of cash-in-lieu of parking as presented in this report will aid in providing a balance between the objectives of providing parking and protecting the character of Kleinburg.

Analysis and Options

The implementation of cash-in-lieu of parking in Kleinburg should be done strategically and consider the impact parking areas may have on the landscape and the impact that the proposed levy may have on the business community. The following analysis of existing conditions highlights areas of concern and items to be considered when implementing cash-in-lieu of parking in Kleinburg.

Quantity and Location of Parking Spaces in Kleinburg

Parking in the commercial core area of Kleinburg is characterized by public on-street parking and private off-street parking areas. Public on-street parking is located primarily along Islington Avenue. Private off-street parking is located on the lot associated with the use and is also available at the library. Additional parking may be available at various school properties.

Multiple studies have examined the total number, location and usage of parking spaces in Kleinburg. The most recent study by Poulos and Chung (2003) concluded "that a sufficient parking supply is available in the Kleinburg core area". The location and total number of the parking spaces is outlined in Table 1 and Table 2. Attachment 2 is based upon the information contained within Tables 1 and 2 and shows the location of parking spaces within Kleinburg.

During the preparation of the Kleinburg-Nashville Heritage Conservation District Study and Plan Phillip H. Carter Architect and Planner reviewed the parking supply and analyzed the current situation. Based upon the "Kleinburg Parking Summary" prepared by Poulos & Chung Limited (2003) and the heritage features within Kleinburg, Phillip H. Carter Architect and Planner concluded "there is no need to convert more land to parking lots or create a municipal parking lot, in the foreseeable future".

The Poulos & Chung Limited study indicates that there are approximately 849 parking spaces in Kleinburg. While the total number of parking spaces is adequate for current uses, the location and ownership of the spaces does not necessarily meet the demands of residents and tourists. For example, while potentially available for use at the McMichael Art Gallery, the parking spaces are not conveniently located for the majority of people visiting the commercial core in Kleinburg.

Table 1: Parking Spaces in Kleinburg

Location of Off-street Parking	Number of Parking Spaces Provided
Royal Bank & Klein House	18
10535 Islington Ave	3
21 Nashville Rd – Dr's House	227
10522 Islington Ave - Hawthorne House	3
10516 Islington Ave – Violets and Dahlias	3
10521 Islington Ave – Chartreuse Restaurant	10
10504 Islington Ave – Post Office Complex	28
10496 Islington Ave – Alexis Interiors	6
10480 Islington Ave - Old Petro Canada	27
10462 – 10472 Islington Ave – Canadiana Square	51
10449 Islington Ave – Artic Mestieri	8
10465 Islington Ave	3
10473 Islington Ave – The Bistra / Tika Hair	12
10477 Islington Ave – Rock of Ages	7
10483 Islington Ave – Jeremy's Workshop	7
10489 Islington Ave – Larry Ella & Assoc. Insurance	7
Kleinburg Book Company	7
10503 Islington Ave – Mr. McGregor's Teahouse	5
10519 Islington Ave – Kleinburg Market	12
Kleinburg Public School	24
McMichael Art Gallery	293
Kleinburg Public Library	15
Total	776

Source: Poulos and Chung Parking Counts (2003)

Table 2: On Street Parking

Location of On-street Parking Spaces	Number of Parking Spaces Provided
Nashville Road North	15
Nashville Road South	7
Islington Ave. East Side– North of Kellam to John St.	8
Islington Ave. West Side – North of Old Petro Canada	12
Islington Ave. East Side – South Kellam to Stegman's Mill	9
Islington Ave. - Gallery to Stegman's Mill	14
School to Stegman's Mill	6
Islington Ave North of Nashville Rd.	2
Total	73

Source: Poulos and Chung Parking Counts (2003)

Delineation of On-Street Parking Spaces in Kleinburg

There are two issues that become clear from assessing the use of the on-street parking along Islington Avenue. As a result of the way the butterfly curb and interlocking brick surface is designed it is not always clear to visitors to Kleinburg that this area is for parking.

Also the size and location of parking spaces are not clearly indicated on the ground. Recent observation (February 2006) indicates that in many areas cars were not being parked in a manner that maximizes the utilization of the available spaces. In order to remedy this situation, the location and size of spaces could be indicated with a contrasting colour of interlocking brick, thereby identifying the specific parking spot as well as making it more evident that the area is intended for parking.

Costs

There are multiple costs associated with implementing a cash-in-lieu of parking system. These include items such as: land acquisition, construction, landscaping, lighting, long term maintenance of the parking lot and grounds and administration. Estimated values for many of these items have been collected in order to assess the viability and suitability of implementing cash-in-lieu of parking in Kleinburg.

At the request of the Policy Planning / Urban Design Department, The City's Real Estate Department contracted Bosley Farr Associates Ltd. to undertake a review of recent sales in the Kleinburg Core Area. This review includes vacant properties as well as properties with existing buildings located on them. The following table is an overview of recent sales in Kleinburg at locations that may be convenient for parking.

Table 3: Recent Land Transactions in Kleinburg Core Area

Civic Address	Description	Area of Parcel	Selling Price	Price per m ²	Land Price per Parking Space (Note 1)
10384 Islington	Vacant Land	4453 m ² (Note 2)	\$749,000	\$168	\$ 6,720
10432 Islington	Gas Station	2510 m ²	\$925,000	\$368	\$ 14,720
10465 Islington	Photo Studio	931 m ²	\$525,000	\$563	\$ 22,520

Values compiled by Bosley Farr Associates Ltd (2005).

Note 1: Price per Parking Space is based upon the cost of acquiring the lands and any existing buildings on site. Due to the use pattern, lotting pattern and landscape in Kleinburg, the cost of acquiring any lands will typically include the cost of a building.

The calculated value is based on the area of the typical space plus the area estimated for the required aisles and access points for a total of 28m² plus an estimated 12 m² per space to provide for suitable landscaping and buffer areas for a total of 40m² per parking space. These values also do not provide for any additional funds for extra lands associated with handicapped parking spaces (23.9 m²), which should be provided at a rate of 1 space per 10 spaces as required by the Zoning By-law.

Note 2: The developable area of this lot is only 2899 m² due to valleyland features. If this value is used, the price per square metre rises to \$258 and the land price per parking space rises to \$10,334. This value appears to be more in keeping with other land values in Kleinburg.

Based on their assessment of recent land transactions in the Kleinburg area, Bosley-Farr Associates Ltd. concluded "smaller core area sites in Kleinburg, such as 10465 Islington Avenue, generate exceptionally high rates in excess of \$50 sq. ft". Bosley-Farr also noted that "price decreases substantially as the property size increases and centrality is reduced". As the

recommended course of action will eventually lead to the provision or maintenance of parking spaces within the Mainstreet Commercial area (core area), and the majority of properties within this area are similar in size, configuration and historic use to 10465 Islington Avenue it is assumed that unless otherwise noted, the price of land used to calculate items related to the parking levy is \$52 per square foot (\$563/m²).

The estimated current cost of constructing a parking space, associated aisles and accesses (surface preparation, paving) is \$1,500 to \$6,000 per space. The lower value is based upon a compacted dust free surface, while the upper value is based on a full asphalt surface and concrete curbs.

In addition to the construction cost of each space there is also a cost associated with constructing the amenities associated with a parking lot. This would include items such as landscaping and lighting. The cost of these items is currently estimated at \$1,750 per space.

Based on these values it is estimated that the cost to construct a parking space is in the range of \$3,250 to \$7,750 per parking space. As Kleinburg is within a Heritage Conservation District, and the purpose of the Heritage Conservation District is to protect and enhance the landscape of the area, it is suggested that the higher value is indicative of the true cost of providing a parking space in a parking lot of a suitable design.

After reviewing land acquisition costs and constructions costs, the expected range of cost to provide a single parking space is in the range of \$9,970 to \$31,746. Considering market conditions, design requirements and availability of land within the Kleinburg Core Area the value of \$31,746 is a better reflection of the true cost of providing a parking space at this time in Kleinburg.

In addition to the cost of constructing a parking space there are also costs associated with the long term maintenance of the parking areas. Section 40 of the Planning Act permits the implementing agreement to include a clause for multiple payments. These payments could be used to offset the cost of maintaining the parking spaces and associated landscaping.

Impact on Local Business

A review of recent variances, site specific zoning amendments and development agreements indicate that various properties have been exempted from providing the required number of parking spaces for their intended uses. The following table provides an outline of the impact a parking levy would have had on various property owners had it been in effect.

The values presented in Table 4 demonstrate that due to the scale of the majority of businesses and the desire to foster similar small scaled business, the implementation of cash-in-lieu of parking based on current parking standards would discourage future economic development within Kleinburg. Therefore, it is appropriate when implementing cash-in-lieu of parking to distinguish between conversions, additions and new construction. The suggested course of action will be discussed in greater detail later in this report.

Table 4: Impact Review of Cash-in lieu of Parking Levy on Various Existing Developments

Civic Address	Business/ Building Name	Use	Number of Parking Spaces Provided	Estimated Number of Spaces Required by By-law 1-88 (Note 1)	Difference	@\$5000 Recent Levy	@\$31,746 Full Cost Recovery	Levy Based Upon 10% Multiplier for Existing Buildings
10512 Islington	Chartreuse	Eating establishment	7	55	48	\$240,000	\$1,523,808	\$152,380
10503 Islington	Mr. McGregor's Teahouse	Eating establishment	11	23	9	\$45,000	\$285,714	\$28,714
10519 Islington	Dolce Venetzia Gelato & Café	Eating establishment	14	26	12	\$60,000	\$380,952	N/A New construction
10504 Islington	Post Office Building	Mixed	21	28	6	\$20,000	\$190,476	N/A New Construction
10449 Islington	The Olde Teddy Bear Shoppe	Retail	13	17	4	\$16,000 Note 2	\$126,894	\$12,689
10465 Islington	Here's My Baby	Photo Studio	6	8	2	\$10,000	\$63,492	N/A New construction
10516 Islington	Canadian Heritage Art Company	Retail	0	7	7	\$35,000	\$222,222	\$22,222
10522 Islington	Hawthorne House	Retail	6	8	2	\$10,000	\$63,492	\$6349
10496 Islington		Retail	8	22	14	\$70,000	\$444,444	N/A may be eligible for partial relief

Note 1: Based on the provisions of Section 3.8 "Parking Requirements". The estimated value assumes no site specific exceptions and is an estimate based upon the building footprints as shown on development agreements and amendments to the Zoning By-law.

Note 2: Site specific Zoning By-law assessed a value of \$4000 per space if the owner decides to operate an eating establishment on site. Otherwise the property complies with current parking provisions.

Availability of Suitable Land and Potential to Create Additional Parking Spaces

While the money collected through a cash-in-lieu of parking levy established under Section 40 of the Planning Act, may be used for maintaining parking facilities, the expressed desire of those in Kleinburg would be for the funds to provide additional parking. In reviewing the pattern of land division and usage, there are few, if any, suitable locations in Kleinburg for a stand alone parking lot, however there may be an opportunity to enhance and enlarge existing parking areas. The reason for this can be seen on Attachment 2, which includes a land use inventory for the Kleinburg Core Area. The attachment shows that the majority of sites within the Core Area are occupied, or are planned for development.

In addition to the lack of suitable sites in the Kleinburg Core Area for a stand alone parking lot, even if a site were available, the impact the development of a parking lot on the landscape would be contrary to the objectives of the Kleinburg Heritage Conservation District Study and Plan. Specifically, the creation of a parking lot would likely require the removal of an existing building and the removal of associated landscape features such as mature trees which define the character of Kleinburg. This approach would not be in keeping with the intent of OPA No. 601: the Kleinburg-Nashville Community Plan, the Kleinburg-Nashville Heritage Conservation District

Study and Plan and the desire of local residents. While the provision of a stand alone parking lot is not consistent with the intent of the planning policy framework, the City could decide to work with land owners to improve or increase the number of parking spaces available at locations that would have less impact on the landscape.

Recently, as part of a development proposal, the owner of the lands associated with the Dr.'s House has proposed to acquire lands from the TRCA and provide for public parking. This addition of approximately 20 parking spaces, would provide parking where it is most needed in the Kleinburg Core Area. The development of these spaces will necessitate improvements to this site and abutting properties for pedestrian access to the parking spaces. Improvements to these sites might be a suitable place for the City to spend funds collected through the cash-in-lieu of parking levy.

There may be opportunities to provide additional on-street parking spaces along Islington Avenue. Islington Avenue is lined with an interlocking brick curb and bollards. The purpose of the bollards is to protect the existing electrical relay stations and to define areas where parking is permitted. In some cases by adjusting the bollards, additional parking spaces, at high demand locations, could be created.

Implementation

Having reviewed documents and consulted with Staff from other municipalities the following issues were identified for consideration:

1. the area in which the collection of the payment in lieu of parking levy would apply;
2. the types of uses it would apply to;
3. the costs associated with the provision of a parking spot;
4. whether the amount collected is based on full or partial cost recovery;
5. if the fund should be used to maintain existing parking spots or create new parking spots or a combination of these options;
6. which City Department(s) will be responsible for final implementation.

Information from the following municipalities was reviewed: Stratford, Kingston, Collingwood, Town of the Blue Mountains (Thornbury), Saugeen Shores, Mississauga (Streetsville), Brampton (downtown), Gravenhurst, Township of Middlesex Centre (Ilderton), West Gwillimbury (Mt Albert), London, Ottawa and Niagara on the Lake. These municipalities were chosen due to their size, the tourist nature of their downtowns and / or the availability of information.

Defining the Location

It is necessary to define a clear location for the use of Section 40 of the Planning Act. This area can be a neighbourhood or the entire municipality. It is suggested that should Council decide to proceed with formalizing the use of Section 40 to collect cash-in-lieu of parking the definition of the areas should be a combination of these two options. In reviewing an application, the scope and scale of the application will dictate if all or a portion of the monies collected by the cash-in-lieu of parking levy should be applied to an area specific improvement or for regional improvements. The majority of future development within Kleinburg is suited to the use of the levy for area use only. For Kleinburg, this area should coincide with the area designated as "Mainstreet Commercial" in OPA No. 633 – The Kleinburg Core Area Policy Review.

During the preparation of OPA No. 633 – The Kleinburg Core Area Review, land and use inventories were undertaken for the lands along Islington Avenue. These reviews show that within the Mainstreet Commercial designation, there have been 18 site specific amendments to the Zoning By-law located on Islington Avenue between Nashville road and Stegman's Mill Road. Of these 18 amendments 12 provide for site specific exceptions to the City's Parking Standards.

In many cases these amendments establish minimum parking standards on a lot that would carry forward should the use change.

In addition to the 18 sites within the Mainstreet designation that are subject to site specific exceptions there are four properties currently zoned R1 Single Family Detached Dwelling and one zoned C11 Mainstreet Commercial. It is expected that these properties, should they be redeveloped would be subject to the payment of cash-in-lieu of parking.

Eligible Uses

It is necessary to determine if this program should be applied to all or only some types of development within the defined area and potentials for exceptions. (i.e. commercial vs. residential vs. mixed use). Some municipalities (Kingston) differentiate between the provision of parking for commercial uses and residential uses in existing buildings, while others exclude specific neighbourhoods from the parking requirements of their Zoning By-law (Brampton). Due to the scale and potential for development in Kleinburg it is suggested that different standards be used depending on whether the development is new construction, an addition to an existing building or adaptive reuse of an existing building.

a) New Construction - Redevelopment of a Site

Where development consists of new construction (redevelopment), it is proposed that the property owner be responsible for either:

- i) meeting the parking standards in effect at the time of application for a building permit; or
- ii) that the property owner be responsible for 100% of the cash-in-lieu of parking levy for the number of spaces the development is deficient, as established by the formula proposed later in this document. This value is currently estimated to be \$31,746 per parking space. The number of spaces required may be adjusted based on a "Parking Needs Assessment".

The rationale for the 100% payment is that if a development is proposing to remove heritage features or substantially alter a heritage property then the property owner should be expected to conform fully to the established standards. While it is expected that new development would meet the required standards or provide a suitable payment, they would also be expected to conform to the design standards within the Kleinburg-Nashville Heritage Conservation District Study and Plan. In the event that these objectives conflict, the landowner could apply for a variance based upon a "Parking Needs Assessment" as outlined in OPA No. 633 – The Kleinburg Core Area Review.

b) Additions to Existing Buildings

In situations where an addition to an existing building is proposed and the existing building is currently deficient in parking, the business is typically expected to conform to all provisions of the Zoning By-law. In the case of providing on-site parking, this is often not possible without drastically changing the landscape of the property or affecting the ability to expand the building. In these situations, it is suggested that if cash-in-lieu of parking is utilized that it only apply to the new spaces required for the addition and not to spaces that the property may already be deficient in. The new spaces would be required to be provided or a contribution at 100% of the calculated value to the cash-in-lieu of parking fund would be required. Similar to the process and requirements established for new construction, variances would be considered based upon "Parking Needs Assessment" as outlined in OPA No. 633 – The Kleinburg Core Area Review.

c) Adaptive Reuse of Existing Buildings

The most likely form of development and the one that is most consistent with the intent of OPA No. 601(as amended by proposed OPA No. 633) and the Kleinburg—Nashville Heritage Conservation District Study and Plan is adaptive reuse or conversion of existing buildings. It is suggested that in situations where a land owner proposes to change the use of an existing building from residential to commercial or mixed use that the owner be provided “credit” for preserving the existing built and natural environment. It is suggested that this “credit” be in the form of a multiplier of 0.1 to the proposed formulas. Based on current conditions and estimates, this would create a payment of approximately \$3,174 per parking space. The reason for this reduced value is the recognition of the scale and heritage character of most of the existing buildings and lots and the scale of the business expected to be established.

Due to the number of existing buildings in the Kleinburg Core Area that have been converted to commercial and mixed use developments and due to the size of lots, additions to existing building is the logical form of intensification. This would preserve the existing streetscape and allow for additional usable space on site. Due to the configuration of many of the lots and due to previous site specific parking provisions or variances there are many sites that do not conform to the existing parking standards.

Calculating the Levy

The cash-in-lieu of parking levy should be assessed and applied in a consistent manner that is equitable to all potential applicants within a particular development category. (i.e. same amount charged to each applicant for the same number of spaces) Discussions with other municipalities indicate that the amount charged, ranges from approximately \$1,000 a space (Ilderton – Township of Middlesex Centre / Mt. Albert - East Gwillimbury) to approximately \$15,000 per space (Collingwood / Niagara on the Lake).

Each municipality has its own philosophy behind the amount of the levy charged. These levies consider local market conditions and whether the community considers the provision of parking as a service to provide to businesses at a subsidized rate or as a service to be charged for at a fair market value (land plus construction and maintenance costs). The manner in which the determination of the amount paid as cash-in-lieu of parking also varies. Some municipalities charge a flat rate per parking space regardless of actual costs, while others have a formula that is used to determine the amount of the levy.

From review of development applications in Kleinburg it appears that a flat fee has been charged on three recent applications within the Kleinburg Core Area. The value assigned for each space was between \$4000 and \$5000 per space. As previously demonstrated, neither of these values is indicative of the true cost of providing a parking space in the Kleinburg Core Area.

In order to utilize Section 40 of the Planning Act to collect cash-in-lieu of parking, the property owner, or tenant must enter into an agreement with the municipality. The agreement must contain an explanation of the levy. The following formula is based on formulas used by other municipalities to calculate the cash-in-lieu of parking levy.

Formula for Provision of a Parking Space

$$\text{\$} = \{(\text{P} \times 40) + (\text{S} \times 28) + (\text{L} \times 12)\} \times \text{M} + \text{\$m}$$

\$	=	amount to be charged per parking space
P	=	assessed land acquisition cost per square metre
40	=	area of a parking space, plus the area associated with a portion of the required aisles and accesses plus the area of landscaped open space
S	=	construction cost per square metre of a parking space (based on 2005 estimate)
28	=	area of a parking space, plus the area associated with a portion of the required aisles and accesses
L	=	construction cost of Amenity/Landscape/Lighting per square metre
12	=	Area of lands associated with Amenity/Landscape/Lighting
M	=	Multiplier, where 1 is full cost recovery and a value between 0 and 1 is the subsidy rate, a rate of .1 would be a 10% cost recovery.
\$m	=	Maintenance Charge (Recurring Annual Fee to be determined at time of agreement)

The determination of "P" (assessed land cost per square metre) would be based on an appraisal of the value of the property being developed at the time of development by a qualified land appraiser. The value to be determined would be based solely on the value of the land for use as a parking space.

The determination of "S" (the construction cost per square metre of a parking space) would be based on an estimate by the City's Facilities Department. The estimate would include items such as surface preparation and paving as well as any item typically associated with the construction of a parking space.

The determination of "L" (Landscape/Lighting cost per square metre) would be determined by the Urban Design Department based on an assumption of 12 m² per parking space plus 25% of the cost a suitable light fixture per parking space). The cost would include items such as fencing, lighting and natural features.

Multiplier (M)

The purpose of this multiplier is to differentiate between full cost recovery and a possible subsidy. It is recommended that due to site constraints and the desire to preserve existing buildings and landscapes that a reduced rate be applied to the adaptive reuse of existing buildings and that new construction and additions be charged the full levy. As noted in the formula, an "M" value of 0.1 is a 10% cost recovery rate while an "M" value of "1" would be 100% cost recovery.

Maintenance (\$m)

Section 40 of the Planning Act permits the payment of cash-in-lieu of on site parking to be made as a single payment or as a series of payments for the construction and / or maintenance of a parking space. The collection of funds for the maintenance of a parking area is therefore permitted. This value would be based upon an estimate by the City's Facilities Department and included in the required agreement.

Based on a recent property transaction, of a typical property on the east side of Islington Avenue, the parking levy would be calculated as follows:

$$\begin{aligned}
 \$ &= \{(P \times 40) + (S \times 28) + (L \times 12)\} \times M \\
 \$ &= \{(563 \times 40) + (267 \times 28) + (\$146 \times 12)\} \times M \\
 \$ &= \{ \$22,520 + \$7476 + 1750 \} \times M \\
 \$ &= \$31,746 \times M + \$m
 \end{aligned}$$

\$	=	amount to be charged per parking space
\$563	=	the land acquisition cost per square metre (based on \$525,000/931m ²)
40	=	area of a parking space, plus the area associated with a portion of the required aisles and accesses plus the area of landscaped open space
\$267	=	the construction cost per square metre of a parking space (based on 2005 estimate of \$7500/28m ²)
\$145	=	the construction cost of amenities (landscaping/lighting) (based on 2005 estimate of \$1750 per space)
M	=	Multiplier, where 1 is full cost recovery and a value between 0 and 1 is the subsidy rate, a rate of 0.1 would be 10% cost recovery.

Based on the calculated value the levy for new construction and additions is currently approximately \$31,746 per parking space while for adaptive reuse of an existing building the levy would be \$3,146 per parking space.

Variations

While the Planning Act permits the use of Section 40 to collect cash-in-lieu of parking, the use of variations and site plan agreements may also be appropriate either in addition to or in conjunction with a Section 40 agreement. In order to determine which tools should be used the scope and scale of the project should be examined and the number of spaces the applicant requires should be reviewed. An example of an alternative standard that could be applied is the use of "stacked" or "tandem" parking spaces to allow for staff to be "parked in" during business hours. In all cases the onus should be placed on the applicant to provide justification of why the site is not suitable for the provision of the required amount of on-site parking and landscaping required in OPA No. 601. An advantage of cash-in-lieu of parking over variations is that it is not appealable to the OMB by third parties as it is typically included as part of a Development Agreement.

It is expected that in the majority of development applications a variance or site specific zoning exception will be required in order to provide parking. The following is the suggested method to determine the parking levy and any variations in an equitable manner. First, the number of spaces required to comply with the Zoning By-law, By-law No. 1-88 is calculated. The applicant's site plan is reviewed to determine compliance. If there is a deficiency the applicant then prepares a "Parking Needs Assessment" to determine what the appropriate parking requirements are for the use and property. If the "Parking Needs Assessment" determines that a lower number of parking spaces are required for the proposed use than what the Zoning By-law requires, the applicant should be granted a variance based on the findings of the "Parking Needs Assessment". If the applicant proposes to provide fewer spaces than required in the "Parking Needs Assessment" then the cash-in-lieu of parking levy would be applied. In instances where the difference between the number of spaces an applicant proposes to provide and the requirements of the Zoning By-law are 2 spaces or less, the property owner would be expected to simply pay the appropriate cash-in-lieu of parking levy. The following examples demonstrate how this process may be applied.

Example 1: An applicant proposes to construct a new mixed use building. Based on the requirements of By-law 1-88 the applicant requires 25 spaces. The applicant proposes to provide 15 spaces. A "Parking Needs Assessment" is prepared by the applicant and it is determined that the proposed use requires 20 spaces. The applicant would then apply for a variance of 5 spaces

and pay the appropriate levy for the remaining 5 spaces. Since this is new construction the multiplier would be 1. Based on current estimates the applicant would be required to pay \$158,730(\$31,746 X5).

Example 2: An applicant proposes to renovate an existing building for a retail store. Based on the requirements of By-law 1-88 the applicant requires 10 spaces. The applicant proposes to provide 4 spaces. A "Parking Needs Assessment" is prepared by the applicant and it is determined that the proposed use requires 6 spaces. The applicant would then apply for a variance of 4 spaces and pay the appropriate levy for the remaining 2 spaces. Since this is adaptive reuse of an existing building the multiplier of 0.1 would be applied for a total payment of \$6,349 (\$31,746 X 2 X 0.1).

The proposed OPA No. 633 - The Kleinburg Core Area Review contains the required policies to empower the use of Section 40 of the Planning Act. These policies provide additional guidance to the Committee of Adjustment in determining if the variance is desirable for the appropriate development of the land. These items should include guidelines related to maintaining and preserving heritage trees and buildings, maintaining a landscape that provides visual and physical separation between properties and uses.

Providing the Parking Spaces

In the "Economic Impact" section of this report it was stated that there are two options for the provision of parking when utilizing cash-in-lieu of parking in Kleinburg. The first option, which is the preferred option, is to collect the levy until such time as there is sufficient funds to undertake the acquisition of land and construction of the parking spaces. The reason this is the preferred option is that while it may take some time to collect a suitable amount of money to provide parking spaces in Kleinburg, it is revenue neutral to the City.

The second option, which is not recommended, is for the City to acquire lands and to develop a parking area and then charge the levy to recoup the money spent. This option would not be revenue neutral as the City would initially have to finance the cost of developing the parking lot.

How to Implement

The implementation and collection of the cash-in-lieu of on-site parking levy will primarily be the responsibility of the Development Planning Department in consultation with Building Standards Department, Buildings and Facilities Department and the Finance Department.

In order for cash-in-lieu of parking to be effectively implemented, it will be necessary for an implementation guide, similar to the examples presented in this report, be prepared and circulated, as well as education of the appropriate stakeholders and City staff be undertaken. The preparation of the interpretation guide and education of staff be undertaken by the Policy Planning/Urban Design Department.

Relationship to Vaughan Vision 2007

The establishment of a cash-in-lieu of parking levy in Kleinburg conforms to the intent of Vaughan Vision 2007 by developing an appropriate funding strategy for long term projects and by reviewing and developing a cost of service study related to the provisions of parking spaces in Kleinburg.

Conclusion

The use of Section 40 of the Planning Act is a method for providing parking for future development in Kleinburg by collecting funds that may be used to improve existing parking areas and provide additional spaces at a future date. The implementation of cash-in-lieu of parking within Kleinburg should occur very carefully and consider the aspects that contribute to defining Kleinburg as a special place in the City of Vaughan. Staff is recommending the implementation of cash-in-lieu of parking in Kleinburg should require full cost recovery for new construction and additions and require partial recovery for adaptive reuse, renovations and conversions of existing buildings within the "Mainstreet Commercial" designation proposed by OPA No. 633 - The Kleinburg Core Area Review. The calculation of the levy should be based on an appraisal of the property at the time of development and the expected cost of constructing a parking space, associated circulation, landscaping and maintenance.

Attachments:

1. Location Map
2. Location of Parking Spaces in Kleinburg / Land Use Inventory

Report prepared by:

Aaron Hershoff, Planner 1, Extension 8320
Wayne McEachern, Manager, Extension 8026

Respectfully submitted,

JOHN ZIPAY
Commissioner of Planning

DIANA BIRCHALL
Director Policy Planning / Urban Design

/AH



Location Map

Legend

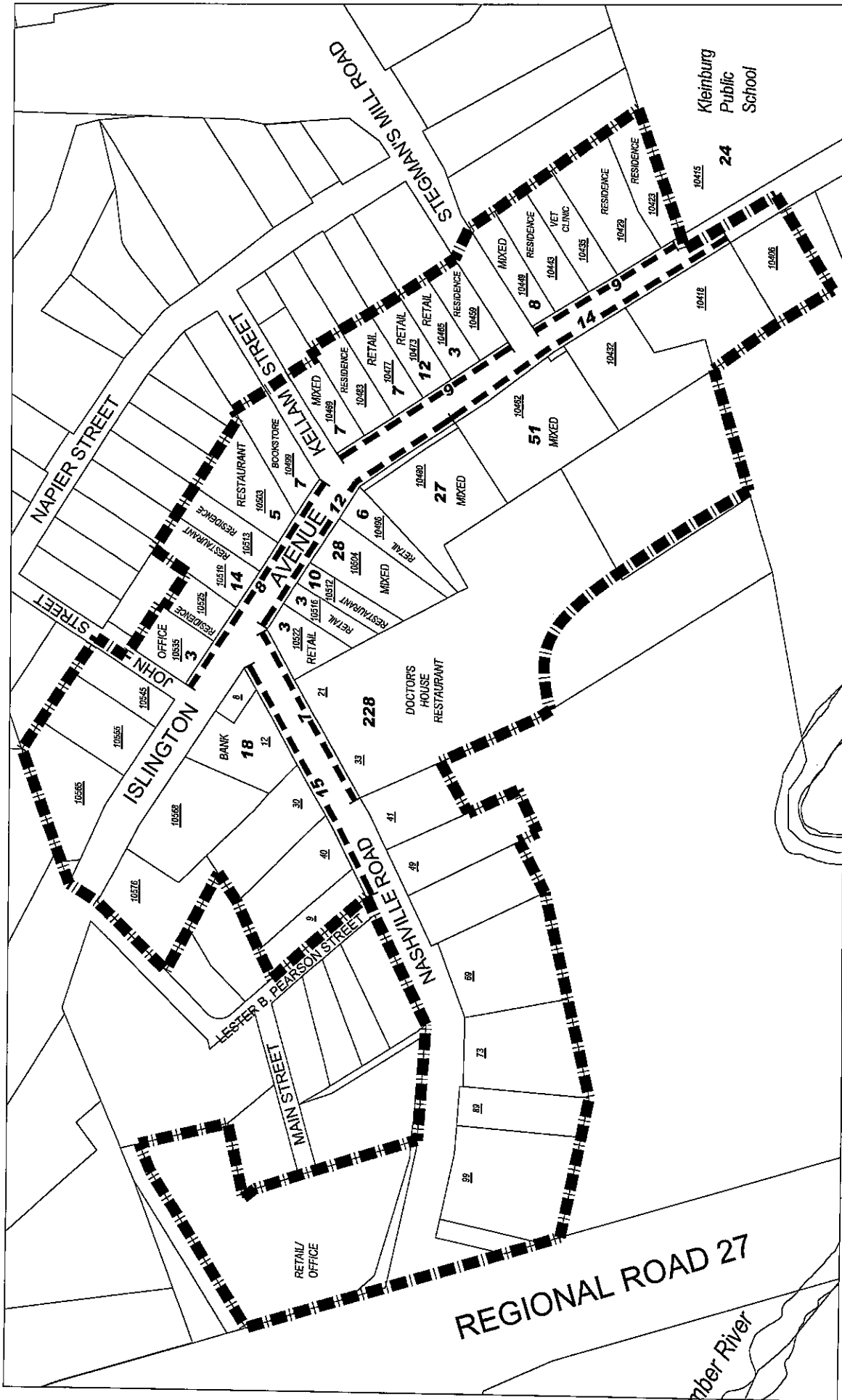


MAIN STREET COMMERCIAL AREA



Not to Scale

Attachment 1



Parking Space Locations

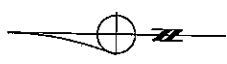
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MAIN STREET COMMERCIAL AREA

NUMBER OF ROAD PARKING SPACES

NUMBER OF PARKING SPACES



Not to Scale

Attachment 2